

Introduced by Senator Machado

February 17, 2005

An act to amend Section 14005.12 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 442, as introduced, Machado. Maintenance: income levels.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services and pursuant to which health care services are provided to qualified low-income persons.

Under existing law, medically needy persons, medically needy family persons, and state-only Medi-Cal persons are not entitled to receive health care services during any month in which their share of cost, if any, has not been met. Under existing law, share of cost is that amount the recipient is required to contribute toward his or her medical care, and is determined on a monthly basis.

Existing law provides for the determination of a Medi-Cal recipient's share of cost by subtracting from the recipient's income a predetermined amount deemed to be necessary for the recipient's living expenses.

Existing law requires the department to establish the income levels for maintenance need at the lowest levels that reasonably permit medically needy persons to meet their basic needs for food, clothing, and shelter, and for which federal financial participation will still be provided.

Existing law provides that any reduction in the maximum aid payment levels for specified years shall not result in a reduction in the income levels for maintenance. Existing law also requires the department to seek federal authorization for maintaining the income

levels for maintenance at the levels in effect on June 30, 1991, and specifies that if the approval is not obtained, that medically needy persons shall not be required to pay the difference between the share of cost as determined on payment levels in effect on June 30, 1991, and that in effect on July 1, 1991, and thereafter.

This bill would eliminate that limitation on income level determinations.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14005.12 of the Welfare and Institutions
2 Code is amended to read:

3 14005.12. (a) (1) For the purposes of Sections 14005.4 and
4 14005.7, the department shall establish the income levels for
5 maintenance need at the lowest levels that reasonably permit
6 medically needy persons to meet their basic needs for food,
7 clothing, and shelter, and for which federal financial participation
8 will still be provided under Title XIX of the federal Social
9 Security Act. It is the intent of the Legislature that the income
10 levels for maintenance need for medically needy aged, blind, and
11 disabled adults, in particular, shall be based upon amounts that
12 adequately reflect their needs.

13 ~~(1) Subject to paragraph (2), reductions~~

14 (2) *Reductions* in the maximum aid payment levels set forth in
15 subdivision (a) of Section 11450 in the 1991–92 fiscal year, and
16 thereafter, shall not result in a reduction in the income levels for
17 maintenance under this section.

18 ~~(2) (A) The department shall seek any necessary federal~~
19 ~~authorization for maintaining the income levels for maintenance~~
20 ~~at the levels in effect June 30, 1991.~~

21 ~~(B) If federal authorization is not obtained, medically needy~~
22 ~~persons shall not be required to pay the difference between the~~
23 ~~share of cost as determined based on the payment levels in effect~~
24 ~~on June 30, 1991, under Section 11450, and the share of cost as~~
25 ~~determined based on the payment levels in effect on July 1, 1991,~~
26 ~~and thereafter.~~

27 (3) Any medically needy person who was eligible for benefits
28 under this chapter as categorically needy for the calendar month

1 immediately preceding the effective date of the reductions in the
2 minimum basic standards of adequate care for the Aid to
3 Families with Dependent Children program as set forth in
4 Section 11452.018 made in the 1995–96 Regular Session of the
5 Legislature shall not be responsible for paying his or her share of
6 cost if all of the following apply:

7 (A) He or she had eligibility as categorically needy terminated
8 by the reductions in the minimum basic standards of adequate
9 care.

10 (B) He or she, but for the reductions, would be eligible to
11 continue receiving benefits under this chapter as categorically
12 needy.

13 (C) He or she is not eligible to receive benefits without a share
14 of cost as a medically needy person pursuant to paragraph (1) or
15 (2).

16 (b) In the case of a single individual, the amount of the income
17 level for maintenance per month shall be 80 percent of the
18 highest amount that would ordinarily be paid to a family of two
19 persons, without any income or resources, under subdivision (a)
20 of Section 11450, multiplied by the federal financial participation
21 rate.

22 (c) In the case of a family of two adults, the income level for
23 maintenance per month shall be the highest amount that would
24 ordinarily be paid to a family of three persons without income or
25 resources under subdivision (a) of Section 11450, multiplied by
26 the federal financial participation rate.

27 (d) For the purposes of Sections 14005.4 and 14005.7, for a
28 person in a medical institution or nursing facility, or for a person
29 receiving institutional or noninstitutional services from an
30 organization with a frail elderly demonstration project waiver
31 pursuant to Chapter 8.75 (commencing with Section 14590), the
32 amount considered as required for maintenance per month shall
33 be computed in accordance with, and for those purposes required
34 by, Title XIX of the federal Social Security Act, and regulations
35 adopted pursuant thereto. Those amounts shall be computed
36 pursuant to regulations which include providing for the following
37 purposes:

38 (1) Personal and incidental needs in the amount of not less
39 than thirty-five dollars (\$35) per month while a patient. The
40 department may, by regulation, increase this amount as

necessitated by increasing costs of personal and incidental needs. A long-term health care facility shall not charge an individual for the laundry services or periodic hair care specified in Section 14110.4.

(2) The upkeep and maintenance of the home.

(3) The support and care of his or her minor children, or any disabled relative for whose support he or she has contributed regularly, if there is no community spouse.

(4) If the person is an institutionalized spouse, for the support and care of his or her community spouse, minor or dependent children, dependent parents, or dependent siblings of either spouse, provided the individuals are residing with the community spouse.

(5) The community spouse monthly income allowance shall be established at the maximum amount permitted in accordance with Section 1924(d)(1)(B) of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396r-5(d)(1)(B)).

(6) The family allowance for each family member residing with the community spouse shall be computed in accordance with the formula established in Section 1924(d)(1)(C) of Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396r-5(d)(1)(C)).

(e) For the purposes of Sections 14005.4 and 14005.7, with regard to a person in a licensed community care facility, the amount considered as required for maintenance per month shall be computed pursuant to regulations adopted by the department which provide for the support and care of his or her spouse, minor children, or any disabled relative for whose support he or she has contributed regularly.

(f) The income levels for maintenance per month, except as specified in subdivisions (b) to (d), inclusive, shall be equal to the highest amounts that would ordinarily be paid to a family of the same size without any income or resources under subdivision (a) of Section 11450, multiplied by the federal financial participation rate.

(g) The “federal financial participation rate,” as used in this section, shall mean $133\frac{1}{3}$ percent, or such other rate set forth in Section 1903 of the federal Social Security Act (42 U.S.C. Sec. 1396(b)), or its successor provisions.

1 (h) The income levels for maintenance per month shall not be
2 decreased to reflect the presence in the household of persons
3 receiving forms of aid other than Medi-Cal.

4 (i) When family members maintain separate residences, but
5 eligibility is determined as a single unit under Section 14008, the
6 income levels for maintenance per month shall be established for
7 each household in accordance with subdivisions (b) to (h),
8 inclusive. The total of these levels shall be the level for the single
9 eligibility unit.

10 (j) The income levels for maintenance per month established
11 pursuant to subdivisions (b) to (i), inclusive, shall be calculated
12 on an annual basis, rounded to the next higher multiple of one
13 hundred dollars (\$100), and then prorated.